

The American Observer

A free, virtuous, and enlightened people must know well the great principles and causes on which their happiness depends.—James Monroe

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Free Press War Aim Tested by Disputes

Censorship, Government Control of News, and Press Monopoly Stir Controversies

GOVERNMENT ROLE BECOMES ISSUE

Clashes Between Correspondents and SHAEF Highlight Debatable Censorship Policy

The nations fighting the Axis have long recognized universal freedom of the press as one of their highest war aims. In the United States, the idea has unanimous support. Before the last election it was endorsed by both Republican and Democratic conventions. A joint resolution adopted by the House and Senate placed Congress on record in favor of it. And, at American insistence, it was written into the agenda of the United Nations Conference at San Francisco.

Yet persistent conflicts between newsmen and various arms of the government testify that the press freedom everyone applauds as an ideal is controversial when applied to specific cases. Basically at issue is the government's role in the business of news dissemination. From this central problem stem all the minor questions of censorship, of congressional investigatory powers, of news monopoly regulation, of government news distribution, and of government support for American press interests abroad which are now in the headlines.

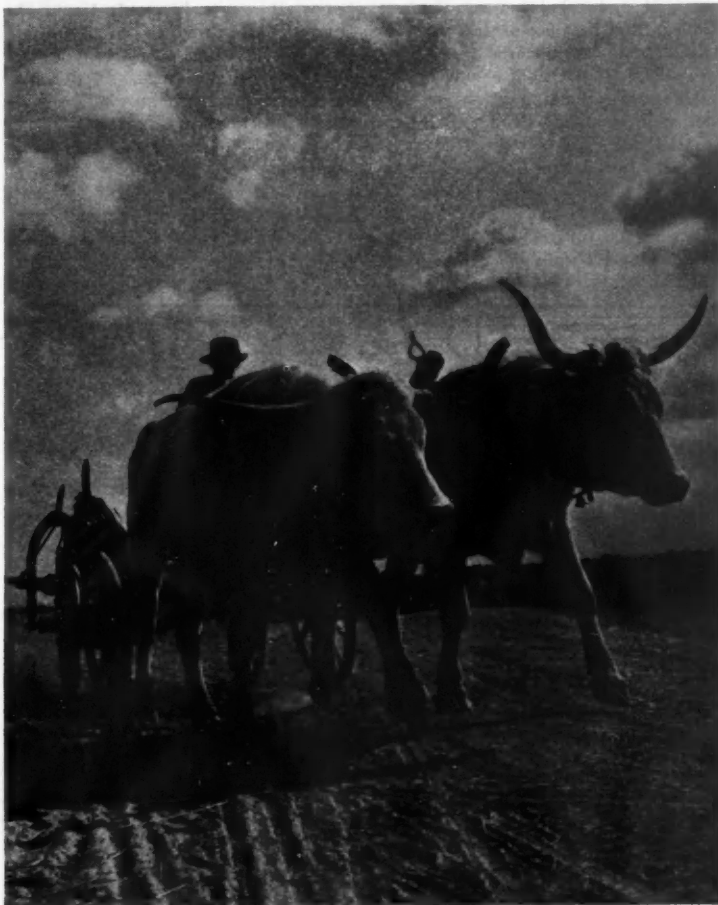
Relations between newsmen and military authorities are one of the chief trouble spots. Perhaps the most dramatic clash came with Germany's surrender, when Associated Press correspondent, Edward Kennedy, was discredited by Allied Supreme Headquarters for releasing the news before he had official permission to do so.

Defends His Action

Kennedy, one of the group of correspondents admitted to the surrender parley at Reims, justified his action in standing out the story before the time set by SHAEF on the grounds that, the war being over, military security no longer demanded observance of SHAEF release dates. He pointed out also that he had informed the public relations officer of SHAEF of his intention in advance.

Although the other correspondents covering Germany's surrender felt that Kennedy should not have released his story without informing them and giving them the opportunity to file their own dispatches, they also felt that SHAEF was unjustified in enforcing release dates after hostilities had ended. Correspondents in the European theater of war had been at odds with SHAEF for some time. They had been particularly indignant over SHAEF's action a month before in discrediting four correspondents for unauthorized entry into Berlin.

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Europe is returning to a peaceful way of life

EUROPEAN PHOTO

Defeatism vs. Patriotism

By Walter E. Myer

It is becoming fashionable among certain groups of our population to sneer and scoff at efforts which are being made to establish an enduring peace. Derision and cynicism enter into many conversations relating to the San Francisco conference as well as to the whole idea of a world security organization. Those who are guilty of this attitude—who are defeatist at the very time that we need to muster all the determination of which we are capable—must be considered as unpatriotic as those individuals who, in the early days of the war, were defeatist and cynical over the prospects of Allied victory. A lack of faith and resolution toward the cause of "winning the peace" is as unworthy of an American today as a similar lack of faith in "winning the war" was several years ago.

An editorial in the Washington Star discusses this problem and presents a challenge to defeatists and cynics. We are passing its contents on to our readers:

No one in his right mind ever minimized the gravity of the fall of France, the blitz on England, the devastating Nazi advance deep into Russia, the lightning-like sweep of the Japanese throughout the Pacific, and other dark developments that made our enemies seem almost invincible. These things were black; they could not be laughed off; they meant that we were very close to losing the war.

Similarly, no one in his right mind will now minimize or laugh off the serious political disagreements that have cropped up to bedevil the United Nations. The Polish issue, the Yugoslav issue, the series of unilateral acts in the Balkans—such things as these are black too; they mean that the peace can be lost unless all parties concerned exercise restraint and wisdom before the situation deteriorates irreparably.

By the same token, however, we ought not to exaggerate the difficulties of the hour or lose our sense of perspective in contemplating them. As we approach the task of establishing a decent peace, our Allied world will be serving itself well if it remembers how it faced up to the profoundly painful discouragements it suffered in the first years of the war. It would have been easy then, were it not for a stubborn clinging to hope and faith, to listen to the voices of the Cassandras and yield to defeatism and despair. But there was no such yielding. Instead there was stoutness of heart, an unshakable will-to-win, a defiance of adversities, with the result that now we see the Axis totally smashed in Europe and its last member in the process of going down in Asia.

Territorial Issues Plague All Europe

More Than Thirty Land Disputes Must Soon be Settled by Peace Negotiators

TRIESTE COMPROMISE IS HOPEFUL

But Many Similar Conflicts Possible Before Final Boundary Adjustments Are Worked Out

The cauldron of postwar European politics, which in recent weeks appeared to be close to the boiling point because of the dispute over Trieste and the surrounding area in Italy and Austria, has quieted down somewhat as we go to press. Yugoslavia and Italy still maintain their respective claims to Trieste and the Italian province of Venezia Giulia in which it lies. Similarly, the dispute regarding Yugoslav claims to the Austrian city of Klagenfurt and the southern Austrian province of Carinthia remains unsettled. But Yugoslavia's Marshal Tito has accepted the principle proposed by the western Allies—namely, that territorial disputes should be settled by peaceful negotiation among all the interested nations rather than by unilateral, or one-nation, action.

In addition, Yugoslav troops have been withdrawn from the southern areas of Austria, and the Yugoslav occupation headquarters has been removed from Trieste. American and British troops at the same time have extended their military control over these areas. An extremely serious threat to the newly won peace of Europe has thus subsided, and an important precedent has been established for the handling of other disputes which may arise.

Importance of Trieste

The case of Trieste is important in itself. Few of the territorial disputes of Europe are contested as bitterly as this one, and few offer as great a menace to peaceful, friendly international relations. But Trieste is important also because it typifies the numerous sore spots, the lines of friction, the boundary quarrels which have troubled Europe for centuries and which will provide many of the major problems of the coming peace conference or conferences, as the case may be. And since the spheres of interest of Europe's two greatest powers, Russia and Britain, clash at this point, it becomes a test case to show whether these spheres of interest can exist peacefully side by side.

Theoretically, the road is clear for settling such boundary problems as that of Trieste. In the Atlantic Charter, which has been accepted by all 47 of the United Nations, are two principles relating to the problem: the signatory powers agree to "seek no aggrandizement, territorial or other," and state that they "desire to see no territorial changes that do

(Concluded on page 2)

not accord with the freely expressed wishes of the peoples concerned."

Moreover, the Dumbarton Oaks proposals and the Yalta agreement indicated the necessity of settling international disputes by negotiation rather than by force or unilateral action.

The attitude of the United States government on this question was clearly expressed a few days ago by Acting Secretary of State Joseph C. Grew, in a statement on the Trieste situation:

"One of the most difficult problems to be solved in coming months will be the just and equitable solution of the many territorial questions that have for so many years plagued Europe. It is the firm policy of the United States, as its Allies have been officially informed, that territorial changes should be made only after thorough study and after full consultation and deliberation between the various governments concerned. Only on this basis can adequate consideration be given to the human, economic, and political elements involved and a just and stable solution be found."

These are fine principles, and it is to be hoped that they will be observed in settling Europe's many problems. But to express that hope is not to blink at the fact that the game of power politics is in full swing, not only in Europe but elsewhere on the globe, and that interests of national security, of commerce, and of empire modify the application of high-sounding principles.

Let us examine briefly the territorial questions that will likely come before the diplomats at the peace conference. No official list has yet been made of the problems to be considered, but in the statement mentioned above Secretary Grew said, "There are 30 or more territorial questions in Europe that require careful study before satisfactory decisions can be made." The map on this page shows 30 areas in which the overlapping claims of various European powers have raised disputes. (The numbers in this article refer to numbers on the map.)

Eupen and Malmedy (1) are small districts with a total population of only about 60,000, which is largely German-speaking. They were taken from Germany and given to Belgium in 1919 for strategic reasons—to put a buffer strip between the German border and the Belgian fortress of Liège. Hitler incorporated the two districts into the Reich, but it is expected that they will revert to Belgium.

The French districts of **Alsace and Lorraine** (2) have long been in dispute because they hold many German-speaking people. They were taken in part by Germany after the Franco-Prussian War of 1870-1871, but returned to France by the Treaty of Versailles. The greater part of the Maginot Line covered the boundaries of this region. Had the Germans won this war they would undoubtedly have annexed Alsace-Lorraine; as it is, there is no question but that these ancient provinces will continue to be French territory.

The **Saar** (4) is a highly industrialized basin of about 750 square miles, with close to a million people. Because it includes one of the richest and most concentrated coal beds in Europe, and because of its strategic location next to the iron mines of Lorraine, France demanded it from Germany after the last war in payment for destruction of French mines.

France was allowed to exploit the Saar mines, but the Saar itself was left in charge of the League of Na-

tions until 1935. In that year the Saarlanders voted overwhelmingly in a plebiscite to unite with Germany. The peace conference now must decide whether to leave the Saar German or cede it to France.

The great **Ruhr Valley** (5), Germany's chief source of coal and iron and No. 1 industrial center before bombing and artillery almost completely destroyed its factories, is German soil and inhabited by German people. But because of its value to the German war machine there have been suggestions that it should be put under international control, or perhaps split up among France, Belgium, and Holland.

The section of the **Riviera** coast lying in Italy (3) has been claimed recently by the French government as necessary for future French security.

Schleswig-Holstein (6) is one of the

after World War I, he returned to Austria. However, this move would involve much trouble, for the South Tyrol (also called Trentino) is now almost purely Italian in population. In the summer of 1939 Hitler forced most of the 200,000 Austrians in the South Tyrol to move into Austria proper.

The Tito government of Yugoslavia has made several claims on its neighbors. It wants **Klagenfurt** and the surrounding province of **Carinthia** (13) which voted after the last war to stay with Austria. It demands from Italy the province of **Venezia Giulia** (10), including the ports of **Trieste** and **Fiume** and the **Istrian peninsula** (see THE AMERICAN OBSERVER for May 21 and 28). And it wants the port of **Zara** (11) on the Dalmatian coast, now held by Italy.

On the other side of Yugoslavia,

Yugoslavia; the rest is in Bulgaria and Greece. Many of the Macedonians would like to see Macedonia set up as a free and self-governing state, while the three countries which have split up this area are constantly squabbling over the spoils. The eastern portion of Yugoslavian Macedonia was given by Hitler to Bulgaria in 1941, but Bulgaria was forced to give it back last fall. The Greeks claim other portions. Massacres, terrorism, and bitter fighting have been the fruit of these disputes in the past.

Greece has claims not only against Yugoslavia, but also against southern **Albania** (18) where a number of Greeks live, and against Italy for the **Dodecanese Islands** (19). At least twice in the past Greece has been promised these islands, and they are inhabited almost wholly by Greeks.

In addition to the territory which she may lose to France in the west, Germany faces heavy losses in the east. **East Prussia** (26) likely will be split up between Russia and Poland. Likewise, the rich industrial region of **Silesia** (14) and the sections of **Pomerania** and **Brandenburg** lying east of the Oder and Neisse Rivers (15) may be given to Poland as compensation for the territory she is expected to lose to Russia east of the Curzon Line.

The **Sudetenland** (7) was taken from Czechoslovakia by Germany under the Munich agreement of 1938. It will undoubtedly become Czech again, and part or all of the 2,500,000 Germans living there may be transferred to the Reich. Similarly, the southern strip of **Slovakia** (16) taken by Hungary in 1938 will revert to Czechoslovakia. As for **Ruthenia** (24), it is inhabited mainly by people related to the Ukrainians of Russia and eastern Poland, and there is a strong movement to join it to the Russian Ukraine. Czechoslovakia has announced that it will let the issue be decided by a plebiscite.

Four sections of Romania have been in dispute in recent years. **South Dobruja** (20) was occupied by Bulgaria in 1940, and it is not known whether it will be returned. This is a trouble region, populated by Bulgarians and Romanians who hate each other bitterly.

Romania has turned over **Bessarabia** (21) and **Bukovina** (23) to Russia, and these transfers probably will be ratified by the peace conference. However, it should be noted that it is difficult to do justice to either country in these cases, for the population is mixed and both nations have strong claims.

Transylvania (22) is one of the most troublesome and violent of the contested areas in Europe. Held by Hungary before the last war, it was given to Romania in 1919, then given by Hitler to Hungary again in 1940. Its return to Romania must be formally approved by the Allies.

The remainder of the numbered sections on the map are areas which are to be held by Russia, but whose transfer is to be formally ratified by the Allies. It was agreed at Yalta that **eastern Poland** (25) up to the Curzon line should go to Russia. And Russia has already incorporated the former Baltic nations of **Lithuania** (27), **Latvia** (28), and **Estonia** (29) into her territory. The **Karelian Isthmus** (30) was ceded to Russia by the peace treaty with Finland.

Along with shifts of territory to be worked out, there are also expected to be elaborate plans for shifting populations in order, so far as possible, to separate peoples who are unable to get along with one another.



European areas where territorial adjustments must be made

finest examples of a territorial dispute settled by local plebiscite. In 1864 Prussia seized this area from Denmark. In 1919 it was proposed to give Denmark back her provinces, and a plebiscite was held. When the southern section voted heavily for Germany, Denmark wisely decided to take back only the strongly Danish northern section so as to avoid future trouble. And although it is again proposed that the whole area be taken from Germany, the Danish government has recently announced that it will press no claims.

The Austrian frontier is in question at several points. The Allies will have to agree on where the **Austro-German boundary** (8) will be fixed. Also they will have to consider a proposal that the **South Tyrol** and **Bolzano** area (9), taken from Austria and given to Italy

where the boundaries of Yugoslavia, Hungary, and Romania come together, lies the most fantastic and complicated racial medley in all Europe—the **Banat** (12). It is inhabited by Hungarian, Germans, Czechs, Serbs, Romanians, Slovaks, and French. After the last war it was divided between Romania and Yugoslavia, but it still is a trouble zone. It is highly desirable since it is one of the most prosperous corners of the Balkans. And just to the west of the Yugoslavian portion of the Banat is the district of **Backa**, which Hitler gave to Hungary in 1941, and which Hungary agreed to return under the terms of the Hungarian armistice last January.

Near the southern end of the Balkan peninsula lies another problem area—**Macedonia** (17). Most of it lies in

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Notes from Security Conference—by Paul Miller

AS the United Nations conference enters its final phase, it is possible to draw certain conclusions from the work already accomplished. It should be remembered, I think, that the conference met under two great handicaps. The first was the untimely death of President Roosevelt. Every delegate and every correspondent realizes that the late President would have provided the leadership and inspiration necessary to get the conference off to a good start.

This observation is not intended to belittle the abilities of the men who are responsible for the work of drafting a charter for the security organization. But it does mean that the unifying influence which Mr. Roosevelt could have exerted has been lacking. Most of the delegates have recognized this fact and have indeed felt the greater responsibility which rests upon their shoulders as a result.

The second handicap, in my opinion, was the timing of the conference. When the date was fixed, it could not have been foreseen that the war in Europe would be practically over when the conference opened, and that the very men—the foreign ministers and other high-ranking diplomats—would be obliged to divide their attention between San Francisco and their home capitals. The problems of the peace became immediately pressing, and men like Foreign Commissar Molotov and Foreign Secretary Eden had to leave San Francisco.

The ending of the war is reflected in all the deliberations here at San Francisco. Many issues which rightly belong to a peace conference have been brought up here.



Paul Miller

For example, there is great interest and concern over the terms which shall be imposed upon Germany. Such an issue has nothing to do with the technical details of a charter for world security, but it has nevertheless influenced the attitude of several of the delegations.

Notwithstanding these unfortunate initial obstacles, the conference has, in my opinion, made great progress and will end in success. Seldom have men worked harder than they are working here at San Francisco. For the delegates, it is no five-day week, eight-hour day proposition. The American delegation is frequently in conference with various groups early in the morning. The members work late into the night and on Sundays in order to complete the job which has been placed upon them. They are obliged not only to reach agreement among themselves upon the policies which this government will support, but also to serve on committees and commissions which are working out the details of the charter. They must also negotiate with the delegates of other countries, and these conferences and negotiations frequently run late into the night.

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One of the practical difficulties encountered here is the necessity of the Russian delegation to communicate with Moscow and to await its instructions from the Soviet capital. On the highly important question of regional arrangements, for instance, the deliberations were at a standstill for sev-



No world political organization can hope to succeed without economic cooperation in rebuilding war-devastated areas

eral days because the Russian delegation was awaiting instructions from Moscow. Perhaps the continued presence of Mr. Molotov would have removed this difficulty. At any rate, it has been a serious problem.

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I have been impressed by the importance which most foreign representatives attach to postwar economic policy. There is practically unanimous agreement that the peace structure which is being erected here at San Francisco can succeed only if it is accompanied by intelligent economic arrangements. The nations represented here realize that the United States holds the key to world prosperity in the years immediately ahead.

What many of the foreigners are afraid of is that this country, while supporting the security organization, will revert to a program of economic nationalism—that we will adopt a high-tariff policy, will refuse to participate in the monetary program drawn up at Bretton Woods, and in general will turn our backs upon the rest of the world economically.

The European countries, in particular, will need economic assistance if they are to recover from the ravages of war. Most of them do not want hand-outs or gifts. What they want and need is the opportunity to reestablish their economies and to build up a vigorous foreign trade. Hence, they place great emphasis upon Bretton Woods and their representatives constantly inquire about our probable future tariff policy.

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It is extremely difficult for the foreigners with whom I have talked to grasp the working of our constitutional system. They go on the assumption that if agreement can be reached here at San Francisco, the United States automatically becomes a member of the United Nations organization. The fact that the charter must be approved by two-thirds of the Senate seems to escape them. The other evening a fellow American journalist and I spent several hours trying to explain to a member of the French delegation this vital fact. We were attempting to make him understand the key position occupied by Senator Vandenberg, and I am not sure that he understands this basic political fact even yet.

This failure to understand America seems to be a characteristic of many of the foreigners here at San Fran-

cisco. Supposedly well-informed journalists and diplomats display a general ignorance of things American—personalities, internal politics, and geography.

Many Americans are equally uninformed on conditions in other countries. I believe that one of the early postwar objectives of this country should be to stimulate an interest in and appreciation of the peoples of other lands. Totally aside from its single purpose of drafting a security charter, the San Francisco conference has accomplished the very useful purpose of creating an understanding—on a very small scale, to be sure—of the peoples of other lands.

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In this connection, I was interested in a proposal advanced the other day at a meeting attended by some of the world's leading educators. It was argued that arrangements should be made as soon as possible for a wide exchange of students between the different countries. Such a program, if financed totally by the governments, would cost an infinitesimal sum and it would constitute one of the greatest forces for international understanding.

There seems to be a growing recognition here at San Francisco of the vital role which education may play in the postwar world. While the conference here will not take up the question of an International Office of Education, plans looking toward the establishment of such an organization are already well along, and a conference is expected to be called a few months hence for the purpose of creating the proposed body.

The leading educational organiza-



Should members of the armed forces have been better represented at the San Francisco parley?

tions represented here are the American Association of University Women, the American Council on Education, the National Congress of Parents and Teachers, and the National Education Association. They have conferred with the American delegation and are seeking to have incorporated into the charter provisions which will promote international understanding through education.

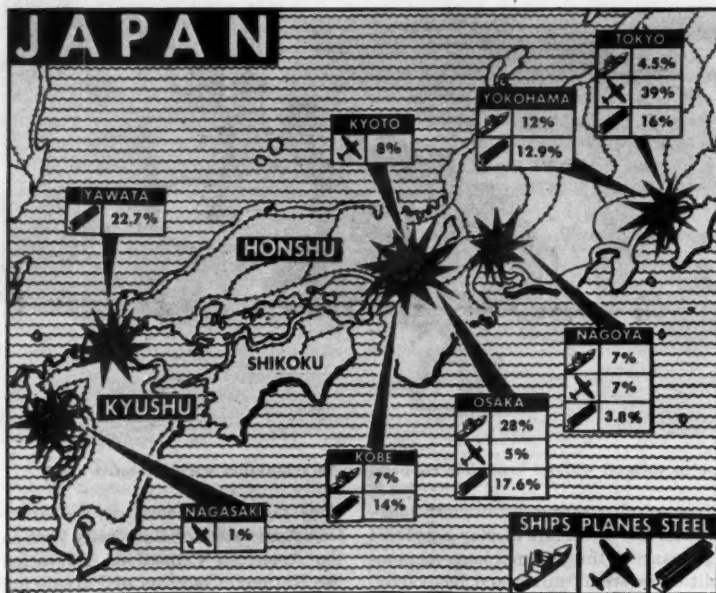
According to the views of these educators, future educational activities would be carried on under the Economic and Social Council, one of the organs of the General Assembly of the United Nations. The idea is to marshal, under this Council, all the agencies—governmental and nongovernmental—which deal with the problems of education. As set forth by the four organizations represented at San Francisco, one of their objectives is to maintain the integrity and independence of nongovernmental organizations. "Education is not to be made exclusively an instrument of national policy," the statement declares, "the international equivalent of academic freedom is to be safeguarded. Provisions are under consideration for establishing cooperative working relationships between the Economic and Social Council, a semi-autonomous international office of education and cultural development, and nongovernmental associations in this field, both international and national in scope."

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During the time I have been in San Francisco, I have talked to many servicemen and former servicemen, American and foreign. Many of them have expressed the regret that they are not more adequately recognized in the deliberations. They feel that their views and wishes are not being taken into account by the conference. They point out that many of the key figures of the conference are the same men who "ran" the world during the period between wars and who, they say, "made such a mess of things."

Whether these criticisms are justified or not, it seems to me that in the years ahead, some way must be found to recognize the aspirations of the young men who have fought the war. If a way is not found to enable them to play a legitimate role in the shaping of public policies—domestic and international—resentments are certain to be stirred and the veterans of this war may become prey to the blandishments of unscrupulous pressure groups.

The Story of the Week



Bombing targets in Japan

Japan's Crisis

If the Japanese people had ever doubted the ability of the Allies to destroy them from the air, the recent devastation of Tokyo by more than 500 Superfortresses has erased such doubts. What was once the world's third largest city and one of Japan's chief centers of war industry is now almost completely wiped out, although the air war against Japan has only begun.

This strike against Tokyo, which dropped 4,500 tons of bombs and was the largest B-29 attack to date, is rated as being twice as powerful as the two heaviest strategic attacks ever sent against Germany by the U. S. Eighth Air Force. Yet it is soon to be overshadowed by even heavier blows, and air commanders say that before long B-29's will be dropping as many bombs on Japan in a month as the Eighth Air Force was able to drop in a year. It is estimated that future assaults will reach 20,000 tons of bombs.

In addition, B-29's are soon to be supported by the B-17's and B-24's of the Eighth Air Force itself, under the command of Lieut. Gen. James H. Doolittle who led the very first air attack on Tokyo in April 1942.

On the mainland, too, Japan faces a crisis. In their biggest and most important victory in months, Chinese troops have captured the big inland port of Nanning, splitting the Japanese in Asia and cutting their lifeline to Singapore. And the Chinese Sixth Army, China's best-trained and best-equipped fighting force, has been moved into China by air from Burma, where it distinguished itself.

Cabinet Changes

The recent changes in President Truman's cabinet were called by political observers only the first of a series which will be coming to the executive branch of the government. Indicative that further plans for reorganization are in the offing was the Chief Executive's special message to Congress late last month, requesting that he be given broad authority to reshuffle executive agencies when the need arises.

In what well may be a prelude to

extensive changes in the executive branch, Truman accepted the resignations of Secretary of Labor Frances Perkins, Attorney General Francis Biddle, and Secretary of Agriculture Claude Wickard. The President reached far west of the Mississippi River for two of his new cabinet officers, and as a result, the geographical balance of the cabinet is farther west than it has been at any time during our nation's history.

To head the Department of Agriculture, Truman selected Representative Clinton P. Anderson of New Mexico. Anderson will replace two men, for War Food Administrator Marvin Jones will leave his present job and go back to the United States Court of Claims, and WFA will be consolidated once again with the Agriculture Department. Anderson has been elected to three successive terms in the House of Representatives, and has recently been in the news because of his investigation of food shortages.

Assistant Attorney General Tom Clark will be the new chief of the Justice Department. A native of Texas, Clark is no office lawyer. He has practiced his profession for a number of years, including cases be-

fore the Supreme Court. He has earned a reputation for great ability during his anti-trust and anti-cartel activities, and later as head of the criminal division of the Department.

Lewis Schwellenbach, former senator from Washington and an old friend of Mr. Truman's, will take over the Department of Labor. During Secretary Perkins' 12 years in that post, the Labor Department was shorn of some of its activities. But if Truman is given Congressional permission to revamp executive agencies, the Labor Department is likely to be revitalized by having the War Labor Board, the National Labor Relations Board, and possibly the United States Employment Service added to it.

Two Missions

The dispatching of two veteran international negotiators to London and Moscow has given rise to new hope for improvement in the relations of the United States, Britain, and Russia. For Harry Hopkins, who has been conferring with Premier Stalin, and Joseph E. Davies, similarly occupied with Prime Minister Churchill, have been busy with more than preparations for the forthcoming conference of the big three leaders. They have been trying, through first-hand discussions with the leaders of our two greatest allies, to find a basis of settlement for the problems which have been troubling our relations with them.

Paramount among these problems are, of course, the broadening of the Polish government, Allied policy in Austria, and Big Three collaboration in Germany. Hopkins and Davies have also been checking on the work of our representatives in Germany and France, particularly Robert Murphy and Brigadier General Julius Holmes, who have been directing the political side of American activities there.

Both men are well known as friends of Russia. Davies, who was for some time our ambassador to Moscow, holds the Order of Lenin in token of the Soviet people's regard. Hopkins, who went to Moscow twice before as President Roosevelt's unofficial representative, was instrumental in promoting American aid to Russia in 1941. As

one of the men closest to President Roosevelt, he is particularly well-fitted to discuss with Stalin the meaning of decisions reached at Yalta.

British Election

The approach of Britain's first general election in 10 years has brought into the open the old political differences which were submerged until now in wartime unity and a coalition government. Forced by the Labor Party to abandon the coalition, Britain's political leaders are campaigning on strictly party issues in preparation for their contest at the polls July 5.

This is the lineup. The Conservative Party, headed by Churchill, bases its highest hopes on the Prime Minister's general popularity, his record of war leadership, and the need for his services in prosecuting the war against Japan. The Conservatives are trying to make international affairs the chief issue of the election. They



Prime Minister Churchill, at King George's request, is heading a "caretaker cabinet" until elections are held in England this summer.

hope too that Churchill's move in scheduling the vote at a time when many soldiers will be unable to register will act in their favor.

The Conservatives, however, will be up against public dissatisfaction at the disturbed political outlook in Europe, the cuts in food and clothing rations which were recently announced, and the necessity for continued government controls. Also cutting their chances is the fact that they have been in power with only two interruptions since the last war. This may well mean that the voters will turn them out merely because they want a change. In an effort to meet this challenge in advance, the Conservatives have chosen young men for a majority of their 600 candidates.

Chief drawing card for the Liberal Party is Sir William Beveridge, who has won a large following through his two plans for social security and full employment. The Liberal Party, however, may lose votes because of the fact that many voters of leftist inclination feel that the Labor Party has a more thorough-going program of social reform.

The Labor Party bases its hopes of victory on the strong desire for social reform which has swept the British people during the war. They will stand or fall on a strong socialist program, calling for nationalization of key industries and eventual nationalization of land on the basis of a five-year plan.

Social Security

Plans for enlarging the United States' Social Security Act have been presented to Congress by Senators



Veterans of the 8th Air Force are being returned to this country by the thousands in bombers. Most of them, after a furlough, will head for the Pacific battle areas.

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Robert F. Wagner, Democrat, of New York, and James E. Murray, Democrat, of Montana, and Representative John Dingell, Democrat, of Michigan. The proposed amendments would broaden the scope of operation of our ten-year-old social security scheme, and add some 15,000,000 workers to the list of those eligible for security benefits.

Briefly, the identical bills now in House and Senate committees for consideration would make the following revisions:

1. Establish a ten-year program of federal grants and loans to the states for the construction and expansion of hospitals and health centers.

2. Set up a system of federal grants to the states for the expansion of public health services, for maternal and child welfare services, and for public assistance to the needy—aged, blind, dependent children, and others.

3. Take from the states the payment of unemployment benefits and place it under the federal government in what is called the National Social Insurance System. This system would also provide for health insurance, temporary insurance, retirement benefits, survivors' and extended disability insurance.

4. Include in social security benefits farm and domestic workers, small business men, and independent farmers.

Since the Social Security Act was passed in 1935, there have been attempts to revise and enlarge its operations. Three years ago the same congressmen who have introduced the current bill for expanding social security tried to broaden the existing law. In spite of widespread endorsement, the first Wagner-Murray-Dingell bill died in committee. However, it is thought that many, if not all, of the proposals in the present bill will be accepted by Congress. There will be opposition aplenty, especially on the medical provisions. The American Medical Association has announced that it fears "regimentation" of the medical profession, its patients, and hospitals will result if the plans for public health expansion is put into operation.

Trouble in the Near East

Relations between France and the other Allies are again showing marked signs of strain, in spite of the fine



Clinton Anderson
Secretary of Agriculture

work which Foreign Minister Georges Bidault and the French delegation have done at San Francisco. Three problems are chiefly responsible for this situation: the recent crisis in Syria and Lebanon, the former French mandates in the Near East; the aggressive measures being taken by Frenchmen to persuade the residents of the Val d'Aosta in northwestern Italy to vote for annexation to France; and the question of the French zone of occupation in Germany, with General de Gaulle asking for a larger zone than the British and Americans wish to give him.

In the latter case, it will be remembered that General de Gaulle declined to withdraw French troops from the German city of Stuttgart, in violation of the orders of Allied commanders, insisting that the Allies must first fix the exact zone of French occupation. British-American protests have been made about this matter as well as about the Italian situation.

It is the Syria-Lebanon crisis, however, which offers the most serious danger to Allied friendship and world peace. The armed clashes and rioting in these two countries are the outgrowth of a conflict between the French and Arabs which goes back a quarter of a century, and they threaten to arouse the entire Arab world in resistance.

The 4,000,000 people of Syria and Lebanon, mostly Arabs, were taken from Turkey after the last war and placed under a French mandate by



Judge Lewis Schwellenback
Secretary of Labor

the League of Nations. The natives fiercely resented European domination, and after many years of controversy they were promised their freedom. The war postponed action on this promise for several years, but finally on June 1, 1944, both countries became nominally independent and were recognized as such by Russia, Britain, and the United States.

But France, now resurgent, wishes to retain several important concessions, which the Syrians and Lebanese regard as infringements of their sovereignty. The movement of French troops into the Levant area while negotiations were still going on between the two states and France precipitated the armed outbreaks and led the recently-formed Arab league of seven Moslem states to declare that it would safeguard "the independence of any threatened member." Both Britain and America are disturbed about the situation and are seeking to find a peaceful solution.

CIO Wage Proposals

If, when reconversion gets under way on a large scale, labor is held to present wage schedules, the ending of overtime pay will mean a serious drop in the average worker's earnings. With the cost of living still high, this will entail genuine economic hardship.

To prevent such hardship, and also to reward workers for the high production record they have made during the war, CIO President Philip Murray has asked President Truman to discard the Little Steel Formula, which restricts pay raises to 15 per cent above January 1941 levels. What he asks is a 20 per cent increase in basic wage rates for all workers, plus a new minimum wage of 65 cents an hour for the lowest pay brackets.

Murray believes wage increases can be effected without danger of runaway inflation. In many cases, they will merely offset overtime pay losses. In others, he thinks they can be financed out of employers' wartime profits. And, in his opinion, they will promote the cause of economic stability by keeping purchasing power high and thus guaranteeing a market for what industry can turn out on a peacetime full production schedule.

Agricultural Revolution

One important effect of the war has been to speed a revolution in agriculture which began more than a century ago with Cyrus McCormick's



Thomas Clark
U. S. Attorney General

invention of the reaper. Today there are more than 2,000,000 tractors in use on American farms—twice as many as in 1929. The number of mechanical corn pickers has increased by a third in the last three years. The number of machines of all kinds on farms is half again greater than at the beginning of 1942.

A decline in farm employment of almost six percent just at a time when demands for food were at an all time high has made this mechanization necessary. As a result, output per farm worker has gone up by 28 per cent in the last four years and overall farm production is up 20 per cent since 1939.

NEWS QUIZ

1. What are some of the difficulties which have developed between newspapermen and SHAEF officials?
2. Why are the correspondents especially irritated over the new SHAEF censorship code, which was adopted shortly after Germany's fall?
3. What is meant when it is said that the military authorities often feel that the press is irresponsible?
4. How did the issue of press freedom and responsibility arise at the San Francisco conference?
5. Briefly describe the case of Albert Deutsch, PM writer, and the issue involved in his case.
6. What is the nature of the controversy between the big press combines or associations and the government?
7. What territories is Germany likely to lose at the peace conference or conferences?
8. How does Denmark's attitude toward Schleswig-Holstein differ from that of most other European nations in their territorial disputes?
9. What position is Czechoslovakia taking with respect to the Ukrainian demand for Ruthenia?
10. What are some of the territorial demands being made by Yugoslavia?
11. Describe several of the distinguishing characteristics of Czechoslovakia before the war.
12. Tell of some of the ways in which American films which are shown abroad influence foreigners.
13. What are some of the changes in the social security system which are being sponsored by Senator Wagner and several other members of Congress?

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The bloody struggle for Okinawa continues, as we slowly but surely push the Japanese back, hill by hill.

The American Observer: Published weekly throughout the year (except Thanksgiving, Christmas, and Easter holidays, and three issues from the middle of August to the first week in September) by the Civic Education Service, 1733 K Street, N. W., Washington 6, D. C. Subscription price, single copy, 32 a calendar year. In clubs of five or more for class use, \$1 a school year or 50 cents a semester. For a term shorter than a semester the price is 3 cents a week. Entered as second-class matter September 15, 1931, at the Post Office at Washington, D. C., under the Act of March 3, 1879. Editor, Walter E. Meyer; Managing Editor, Clay Conn; Executive Editor, Paul D. Miller; Senior Editor, J. Hubert Anderson; Associate Editors, Virginia Black, Anne Crutcher, Helene H. Morse, Wilbur F. Murra, Helen R. Sattley, Kenneth F. Weaver; Art Editor, Kermit Johnson.



President Truman at one of his regular press conferences

Press Issues and Problems

(Concluded from page 1)

Resentment was also high over American support of the ban on our correspondents in Russian-occupied territory.

A further source of friction was the Goering incident. News stories of the Nazi leader's friendly reception by Allied military authorities brought a sharp reprimand from General Eisenhower as far as the officers holding Goering were concerned. But they also produced a SHAEF edict that correspondents might conduct no more interviews with captured German officials without special authorization from the high command.

The new SHAEF censorship code, adopted shortly after Germany's fall, permits the high command to ban what its censors consider "unauthorized, inaccurate, or false reports, misleading statements and rumors, or reports likely to injure the morale of the Allied forces or nations." Clearly, this is a blanket ruling which would justify censorship of any news story the high command might disapprove.

How Pressmen Feel

To the correspondents, it seems like a serious—and unnecessary—curb on freedom of the press. News men readily accepted censorship when the war was still going on. But now that it is over, they feel that censorship has become a dangerous political weapon.

The military authorities, on the other hand, feel that it is essential for them to have the final word on what shall and shall not be written about conditions in Europe. For one thing, they feel that if they are to carry out the remainder of their task—administering the occupied areas—there must be no unfavorable publicity to threaten their prestige. Stories like the one on the treatment of Goering place them in an unfavorable light. They feel, too, that it is their responsibility to preserve a united front between themselves and our allies. For this reason, they are disposed to cooperate with the Russians when the latter insist that there shall be no reporters allowed in the territory they control.

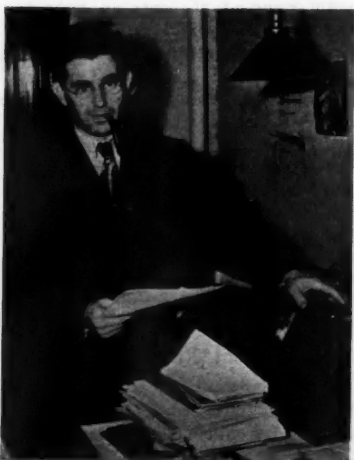
Similarly, the military authorities often feel that the press is irresponsible. They charge the correspondents with distorting the news in order to send back sensational stories to their papers and press associations, and with placing their desire for scoops

above their desire to safeguard the nation's military and political interests.

The issue of press responsibility versus press freedom has also been important at the San Francisco Conference. News men have been sharply criticized for headlining "rumors and half-truths" in their dispatches, for magnifying evidences of disunity among the Allies in order to liven their stories, and for indulging in tasteless frivolities—such as one reporter's heckling of Molotov on the totally irrelevant point of how a particular Russian word should be pronounced.

To this charge, many news men countered that they were forced to frame their stories on second-hand information and to exaggerate the relatively unimportant because they were barred from so many official parleys. According to John C. Metcalfe of the New York *Herald Tribune*, the American press delegation received particularly information from American representatives at the Conference.

Press responsibility versus press freedom also came up recently in a clash between Congress and PM reporter Albert Deutsch. Deutsch, who had written a series of articles charging the Veterans' Administration with inefficiency and malpractice, was cited for contempt when he refused to divulge to the House Committee on World War Veterans Legislation the



Albert Deutsch, PM writer, who ran into difficulties with a House committee over the issue of freedom of the press.

names of those who had informed him.

This case brought into conflict freedom of the press and the right of a congressional committee to get information. Standing on the former, Deutsch pointed out that he had not refused to give information or tried to hinder the committee from investigation of his charges. He had merely refused to embarrass his sources of information—people who had talked to him in confidence.

Newsmen have long enjoyed the right to keep secret the sources of confidentially given information. The theory is that unless their informants are protected, they will refuse to talk, thus denying the public information it should have. On the other hand, the courts have upheld the right of an investigating committee of Congress to obtain information pertinent to its investigations. To enforce this right, Congress has the power to cite for contempt, bring to trial, and imprison those who refuse to cooperate. The only restriction on its power to force witnesses to testify is the provision that questions not pertinent to the investigation may be left unanswered.

As we go to press, Deutsch is still waiting for Congress to act on the citation for contempt. Representative Rankin, chairman of the committee before which he was testifying, claims that the information asked is essential to the committee's investigation. Deutsch holds that his right to protect his sources of information is an essential part of freedom of the press.

But going deeper than these conflicts is the long-range struggle between the big press associations and syndicates and the government. In this struggle, both sides have freedom of the press as their battle cry. For the big news combines, this means freedom from government regulation and the competition of government news-dispensing agencies and, at the same time, government aid in furthering their interests abroad. For the government, it means the right to regulate what it considers news monopolies, and the right to distribute its own variety of news both here and abroad.

The Associated Press is now fighting a Department of Justice monopoly suit, precipitated by its refusal to admit the Chicago *Sun* to membership. The AP, calling itself a non-profit cooperative organization, contends that its freedom would be impaired if it were forced to admit all who could pay the required share of membership costs. The government's position is that AP, as the dominant American press association, is restraining free competition by barring particular newspapers from buying its material.

Besides fighting government interference in this case, the AP has taken a prominent position in a new drive for freedom of the press. The campaign, led by AP's executive director, Kent Cooper, aims at winning some of the same immunities for correspondents abroad that are enjoyed by diplomats, at eliminating government news-distributing activity, and at enlisting government aid in combatting foreign news cartels.

The situation is this: The AP, the United Press, and other large-scale American syndicates wish to expand their overseas activities after the war. But, standing in their way are two powerful sources of competition—foreign news cartels and our own government's news distribution agencies.

In all the big foreign nations, news

is distributed primarily by government-run or government-owned cartels. In England, it is Reuters; in France, Havas; in Russia, Tass. Because of government subsidy, these agencies can sell their services very cheaply and often crowd out competitors, such as the AP, in Europe. Cooper and his associates propose that the United States bring pressure to bear on other countries to eliminate government news monopolies.

The free news and feature material distributed by such agencies as the Office of War Information and the Office of the Coordinator of Inter-American Affairs is similarly a source of serious competition. The big syndicates regard it as serious even in poor areas, where editors cannot afford to buy private news service material, for they feel that richer adjoining territories may be influenced in favor of government-issued news.

Another Factor

The idea that the government's extensive news-gathering and news-disseminating facilities might be sold cheaply as surplus property also motivates the drive to ban government participation in the information industry. Altogether, government news agencies now hold some \$250,000,000 in short wave radio transmitters, radio-photo distribution equipment, and other facilities. The large private news agencies have an eye on acquiring this property at low prices.

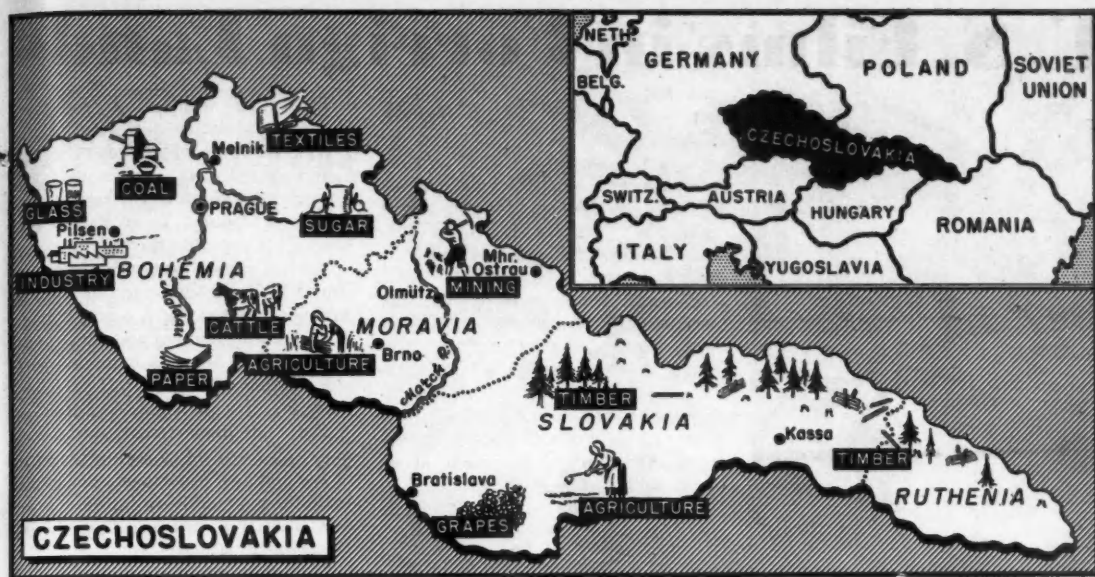
There are, however, issues deeper than vested interest in what the big press combines hope to bring about. As Kent Cooper and those working with him contend, an official propaganda system is one of the earliest



Ed Kennedy of AP, who scooped the world on V-E Day at the expense of his future career as a newspaperman.

fruits of government participation in the business of public information.

On the other hand, those who have no fear of the government's influence on the press point out that completely objective news is a non-existent commodity. However honestly facts may be reported, they are colored by the opinions of those who observe them. For this reason, news flowing from a few large press organizations may be "propagandistic"—in that it pleads the case of a single group of people—quite as much as government-issued or government-controlled news. What the American people must decide in settling the problems of press freedom which come up from time to time is how public and private interests can be balanced so as to produce the most objective and varied news facts and opinions. Meanwhile, the press can best protect itself by accepting its responsibility.



The land area of Czechoslovakia

CZECHS REBUILDING THEIR NATION

THE long-exiled government of Czechoslovakia has been back in its homeland for two months now. Under the leadership of President Eduard Benes, the Czechs are rebuilding their nation, re-establishing their democracy, and erasing the marks of six years of Nazi domination.

For the young republic of Czechoslovakia, Nazi control came before the outbreak of the Second World War, and continued even after the official surrender of Hitler's armies. The hand of the German conqueror was first felt by the Czechs in the fall of 1938. Like Bismarck who once said that "Whoever holds Bohemia is master of Europe," Hitler saw the military value of Czechoslovakia, and demanded German annexation of certain Czech territory.

The Munich Pact, signed by Great Britain, France, Italy, and Germany, handed over to the Nazis the areas they sought in Czechoslovakia. As new borders for that country were being drawn, Poland and Hungary demanded and received tracts of Czech land lying next to their respective boundaries. Less than a year later—in the spring of 1939—the Nazis moved into the remaining parts of Czechoslovakia, set up autonomous governments in three provinces, and the complete dismemberment of the young republic was effected.

Small Nation

Pre-war Czechoslovakia was a relatively small nation. Its area was slightly larger than New York State, and its population totaled 15,500,000. Stretching from west to east across central Europe for 600 miles, Czechoslovakia is shaped roughly like a huge lizard. It is a land-locked country, surrounded by Austria, Germany, Poland, Romania, and Hungary.

Czechoslovakia, often called "an island of democracy," was made an independent nation after the First World War. Most of what is now Czech territory was a part of the Austro-Hungarian empire. Less than one-fourth of one per cent—122 square miles—was German before the establishment of the Czechoslovak republic.

The four provinces which constitute Czechoslovakia are Bohemia, Moravia (sometimes called Moravia-Silesia), Slovakia, and Ruthenia (or Carpatho-Ukraine). The westernmost provinces

of Bohemia and Moravia are densely populated, while the eastern area including Slovakia and Ruthenia are sparsely inhabited. Western Czechoslovakia supports extensive farming and cattle raising, mining and manufacturing. This well-balanced economy makes possible in normal times a high standard of living for the people.

Slovakia is a region of farms, mountains, forests, and streams. The people of Slovakia do not have as high a standard of living as do their western neighbors, because their territory is not yet as well developed as Bohemia and Moravia. Ruthenia is a backward, chiefly mountainous, region which provides only a meager standard of living for its inhabitants. Ruthenians normally are occupied by cultivating small farms, raising cattle and sheep, mining rock salt, and hunting wild boar and other game.

Czechoslovakia is made up of several racial groups. Czechs and Slovaks comprise 70 per cent of the population. Both Slavic peoples, the Czechs and the Slovaks speak similar languages and can usually understand the other's native tongue. The Czechs, more numerous than the Slovaks, live chiefly in Bohemia and Moravia, while the Slovaks are centered largely in Slovakia. The largest racial minority in pre-war Czechoslovakia were the Sudeten Germans, totaling 20 per cent of the population. They lived primarily in the western provinces. Hungarians and Ruthenians make up the remaining 10 per cent of Czechoslovakia's population. Most of the Hungarians live in Slovakia, while the Ruthenians, a race of Ukrainian origin, inhabit the eastern Carpathian region.

The reconstruction of a nation which has been a battlefield is, at best, a difficult task. However, the Czech people are fortunate to have a wealth of natural resources which will be of great help to them in this work. Czechoslovakia possesses rich mineral deposits and farm land. With these natural endowments, the Czechs have developed a balanced economy, resembling somewhat that of France. Some 40 per cent of the people are engaged in agriculture and forestry, while industries employ 37 per cent of the working population.

The abundant production of Czech farms makes the nation almost self-sufficient in food. Forty-two per cent

of Czechoslovakia's land is arable, 17 per cent is suitable for pasture land, and 33 per cent is forested. Potatoes are the chief crop, and wheat, rye, barley, and oats are raised extensively. The high yield of sugar beet acreage makes Czechoslovakia one of the world's leading producers of beet sugar.

Considerable variety of vegetables grow on Czech farms, while large orchards provide fine apples, peaches, pears, cherries, and plums. Hops are also grown in great quantity. Another source of farm wealth is the surprisingly large herds and flocks of fowl, geese, ducks, cattle, and pigs.

Land Reforms

Before the establishment of Czechoslovakia, farming in that region was on almost a feudal basis. A small number of landlords owned large percentages of the land. The Czech government has been successful in breaking up some of the large estates, so that farm land, before the war, was divided more equally. However, this land reform is far from finished; more of it is planned for the postwar era.

Czechoslovakia's underground wealth, including deposits of coal, iron, copper, silver, gold, lead, and radium ore, feeds the numerous and varied Czech industries. Manufacturing is centered chiefly in the western section, once an industrial stronghold of old

Austria. Czech factories produce goods ranging from heavy machinery to delicate, beautiful glass and porcelain. A list of Czech manufactures includes metal work, chemicals, textiles, machinery, porcelain and glassware, shoes, toys, and musical instruments.

Czechoslovakia depends upon exports for national prosperity. Though land-locked, Czech products find their way to overseas markets by way of the river systems of nearby neighbors. Most of Czechoslovakia's exports go to European countries. Germany, Austria, and Great Britain are the leading buyers. However, the Czechs know American tastes, and many of their products are made expressly for United States consumption. These are chiefly the novelty and miscellaneous goods which are found in "five and ten cent" stores.

Friendly to U. S.

The Czechs, whose government embodies the ideals set forth in our Declaration of Independence, feel a very strong tie of friendship to the United States. President Woodrow Wilson took a great interest in the establishment of Czechoslovakia. Thankful for his help, the Czechs hailed American friendship by giving many of their public places American names. In addition, the Czechs have made it clear that they will work closely with Russia. As a result of their announced intentions of friendship, the Czechs are having none of the difficulty with Russia that certain of her neighbors are.

Pre-war Czechoslovakia was a center of European culture. Prague, the capital city, boasts a quality of medieval architecture equalled by few cities in Europe. Prague is also the home of three universities, one Czech, one German, and one Ruthenian. Czechs rank high in accomplishment in both arts and sciences.

Some of Czechoslovakia's postwar economic needs have been outlined as follows: (1) free ports; (2) additional land reform; (3) European markets for her varied manufactures; (4) the bettering of the economic level of the Slovaks.

The Czechs will need a great deal of help from the outside during their reconstruction years, for until they are back on their feet again, industrial and agricultural production will be at a low level. However, few doubt Czechoslovakia's ability to come back as a strong democratic nation. Its brief history as an independent nation after the last war has stood as an example of what a freedom-loving people can accomplish.



Wheat threshing scene on a farm owned by a well-to-do Czech farmer. Most threshing in that country, as in all Europe, is done by hand.

Power of U. S. Films in Foreign Lands

The facts and opinions on which this article is based are found largely in two recent magazine articles: "The Movies Better Be Good!", by John A. Kouwenhoven, Harper's, May 1945; and "Washington Discovers Hollywood," by H. A. Lowe, American Mercury, April 1945.

FOR at least a quarter of a century people abroad have been aware of the power of the American motion picture as a salesman of American goods and a teacher of American ideas. As long ago as 1923 the London *Daily Post* made this statement (which might be said with even greater reason today):

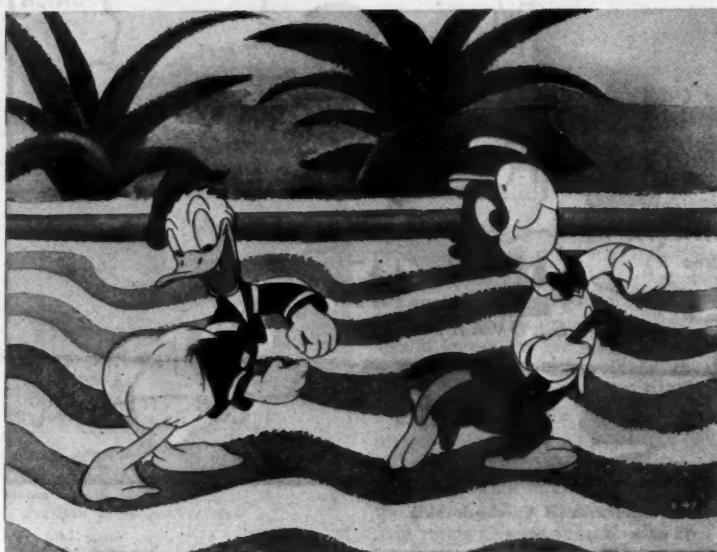
"If the United States abolished its diplomatic and consular services, kept its ships in harbours and its tourists at home and retired from the world's markets, its citizens, its towns, its countryside, its roads, motor cars, and counting houses would still be familiar to the uttermost corners of the world. . . . The film is to America what the flag once was to Britain. By its means, Uncle Sam may hope some day, if he is not checked in time, to Americanize the world."

Indeed, foreign governments recognize so well the commercial threat of American films that for years they have thrown up strong barriers against Hollywood. Fifty-eight separate countries have in the past made legal restrictions: they have imposed quota systems to limit the number of American films that might be shown in their countries; they have levied high tariffs and heavy special taxes on our films, besides exercising very stiff censorship; they have in many cases subsidized movie industries of their own in the hope of weaning their people away from seeing American movies.

And these restrictions came about not only because of demand from foreign motion picture studios, but also because of pressure from manufacturers of all kinds of consumer goods and from government propaganda agencies which feared American ideas and products. It is significant that the Axis nations barred all American movies in their own countries and in the lands they conquered. The Japanese quite candidly announced that their purpose was to prevent western ideas from spreading in Asia.

Naturally American businessmen have not been ignorant of the role our movies have been playing in stimulating foreign trade—sales figures make the connection quite clear. For example, before the war an American manufacturer of sewing machines suddenly received large orders for his machines from Java and Sumatra—remote parts of the world where he had made no effort to build up sales. On investigation he found that sewing machines had been shown in scenes of several movies touring the East Indies, and that these scenes had aroused the demand for the American product.

Similarly, an American automobile manufacturer was pleased to find his sales in a certain foreign country increasing by 400 per cent—all because his car had been prominently displayed in a certain American movie. In Brazil an American type of bungalow became popular because it was pictured in a number of films, and in Sweden great interest was aroused in the use of office intercommunication systems because this equipment was seen in pictures. English-language sound-



Walt Disney's *Saludos Amigos* spread good will in the western hemisphere

tracks on our pictures have stirred interest abroad in learning our language.

Thus for years Hollywood has been popularizing American customs and manners abroad. Foreigners have learned to like our clothes, our "hairdos," our radios, our refrigerators, our bathroom fixtures, our kitchen equipment, our automobiles—and their desires have been translated into foreign trade.

Strangely enough, however, no one in Washington outside of the Commerce Department has understood the power of the movie as an American agent until the present war began. The State Department was particularly slow in realizing film possibilities. Until about two years ago it ignored the excellent information on motion pictures gathered by our foreign service men abroad, simply passing it on to the Commerce Department.

Today that situation has changed. Washington has waked up to facts which the rest of the world has known for decades. The federal government is now acutely aware that millions of people all over the globe derive most of their ideas about the United States from movies, and that the movies may thus be used to spread belief in democracy and make friends for the United States.

Today six major agencies of the government are working with the moving picture industry. The Department of Commerce has recently finished a broad survey of the world's motion picture markets, covering even such primitive parts of the world as the Belgian Congo. The Office of War Information has spent \$50,000,000 for Hollywood entertainment films to be used for propaganda purposes in liberated countries. These pictures were carefully selected to give a balanced view of American life and ideas.

During the war the Office of Censorship has been clearing pictures to be sent abroad so as to stop any movie which might damage American prestige or hurt international relations. The Justice Department is concerning itself with preventing cartel arrangements in the movie industry.

The agency which has gone all out in using movies is the Office of Coordinator of Inter-American Affairs. At CIAA's inducement, Hollywood has made a large number of amazingly successful films for propaganda purposes in Latin America. For example, there was *Rubber for Victory*, which was shown in more than 250 towns and cities in Brazil's Amazon basin, explaining the need for increased rubber production to make up for lost supplies in the East Indies. This film is

credited with stimulating production of a most necessary war material.

Walt Disney made *Saludos Amigos*, a film designed to spread good will throughout the western hemisphere. CIAA guaranteed to make up any financial losses on this picture, but instead of requiring government subsidy, the film made handsome profits. And not only has CIAA sent a number of such entertainment and educational films to Latin America, but using portable equipment it has itself presented these pictures in remote localities.

The State Department, too, has finally come around to seeing the value of the film as a propaganda device. It is taking a supervisory interest, as indicated by this statement from a State Department official:

"American motion pictures as ambassadors of good will—at no cost to the American taxpayer—interpret the American way of life to all the nations of the world. . . . The right kind of film can present a picture of this nation, its culture, its institutions, its methods of dealing with social problems, and its people, which may be invaluable from the political, cultural, and commercial point of view. On the other hand, the wrong kind of picture may have the opposite effect. Finally—and this is an important consideration—American motion pictures act as salesmen for American products, salesmen that are welcomed by the public.

"For all these reasons, the Department of State and its representatives in foreign countries desire to cooperate fully in the protection of American motion pictures abroad, especially in the difficult postwar era. In return, the Department confidently expects that the industry will cooperate wholeheartedly with our government with a view to insuring that the pictures distributed abroad will reflect credit on the good name and reputation of this country and its institutions."

This suddenly awakened interest Washington is taking in Hollywood and its product has raised an interesting and important question. Is government control of the movies just around the corner?

Any censorship or supervisory direction which the government exercises over films for the foreign market directly affects domestic films. This is easy to understand when one realizes that last year the gross receipts from foreign distribution of American films amounted to about \$170,000,000, and that (according to *Variety*) the rentals in a foreign market for a top-grade picture bring in from 70 to 80 per cent of the net profit of the producer!

Therefore, since a producer cannot afford to make two versions of the same film—one for foreign and one for domestic consumption—a censored film made for the foreign market will be substantially the same one American audiences will see. Moreover, many stories which would be quite suitable for domestic showing might never get filmed, because they would not present the proper aspects of American life to foreigners.

Of course, Hollywood has erred greatly in the past, and its many films have given a distorted picture of Americans. This, then, is the problem: to protect American goodwill abroad and yet preserve freedom of the screen at home. It is a problem which can be solved by intelligent cooperation of the government and the movie industry.



American films which are shown abroad serve as a good advertising medium for the U. S. products which appear in the pictures.

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